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and

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 Attorneys for Debtors

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case Nos. BK-S-06-10725 LBR
 Case Nos. BK-S-06-10726 LBR
 Case Nos. BK-S-06-10727 LBR
 Case Nos. BK-S-06-10728 LBR
 Case Nos. BK-S-06-10729 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Chapter 11

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,
 Debtor.

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

In re:
 USA SECURITIES, LLC,
 Debtor.

**AMENDED DECLARATION IN SUPPORT
 OF APPLICATION BY DEBTOR AND
 DEBTOR-IN-POSSESSION FOR
 AUTHORIZATION TO RETAIN AND
 EMPLOY SCHWARTZER & MCPHERSON
 LAW FIRM AS COUNSEL UNDER
 GENERAL RETAINER**

Affects:
☒ All Debtors
☐ USA Commercial Mortgage Company
☐ USA Securities, LLC
☐ USA Capital Realty Advisors, LLC
☐ USA Capital Diversified Trust Deed Fund, LLC
☐ USA First Trust Deed Fund, LLC

Date: July 25, 2006
 Time: 9:30 a.m.

1 I, Jeanette E. McPherson hereby declare and state as follows:

2 1. I am an attorney licensed to practice law in the State of Nevada, and I am the
 3 managing partner of the Schwartzer & McPherson Law Firm. I have personal knowledge of the
 4 facts recited herein, and I am competent to testify regarding them if called as a witness in this
 5 matter.

6 2. I make this declaration and disclosure in support of the Application By Debtor and
 7 Debtor-In-Possession To Retain And Employ Schwartzer & McPherson Law Firm As Counsel
 8 Under General Retainer (the "Application").

9 3. Schwartzer & McPherson Law Firm ("S&M" or the "Firm") has been retained to
 10 represent USA Commercial Mortgage Company ("USACM"), USA Securities, LLC, USA Capital
 11 Realty Advisors, LLC, USA Capital Diversified Trust Deed Fund, LLC, and USA Capital First
 12 Trust Deed Fund, LLC ("FTD Fund")(collectively, the "Debtors").

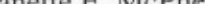
13 4. With respect to S&M's involvement with, or representation of, the debtors and/or
 14 creditors in this bankruptcy case, S&M states the following:

15 a. S&M represents Silver State Bank ("SSB"), 170 S. Rainbow Blvd., Las
 16 Vegas, Nevada, 89145 in a variety of matters unrelated to the Debtors' bankruptcy cases.

17 b. SSB is the lender/depository bank to a Security Agreement for 60th Street
 18 Venture, LLC which security agreement is evidenced by a Control Account Escrow Agreement
 19 And Security Agreement entered into on December 21, 2005. SSB is listed on Schedule G on
 20 USACM's bankruptcy petition.

21 c. S&M and co-counsel Ray Quinney & Nebeker, P.C. ("RQN") have agreed
 22 that any matter arising with respect to SSB that may pose a potential conflict of interest for S&M
 23 will be handled solely by RQN.

24 5. An interpleader action will be filed in which USACM, as plaintiff, has requested
 25 that the Court determine which of the defendant claimants (including FTD Fund) are entitled to
 26 the approximately \$1.7 million in the Investor Account. USACM has no claim to the funds in the
 27 Investor Account. However, S&M requested that a special independent counsel be appointed to
 28 handle the litigation to avoid the appearance of impropriety.


Jeanette E. McPherson